



environmental consultants, inc.

M/023/007

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December 19, 2000

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**DIVISION OF  
OIL, GAS AND MINING**

Mr. Don Ostler  
Director  
Utah Division of Water Quality  
288 North 1460 West  
P.O. Box 144870  
Salt Lake City, Utah 84114-4870

RE: Approval for Ongoing Use of Solution Ponds, North Lily Mining Company, Silver City,  
Utah Facility; Notice of Violation and Order, Docket No. UGW-20-04

Dear Mr. Ostler:

North Lily Mining Company requests that the Division of Water Quality (DWQ) approve the continued use of the pregnant and overflow solution ponds at North Lily's Silver Facility for solution storage and for enhanced evaporation system operation. Closure of either of these ponds could jeopardize North Lily's ability to manage leach pad draindown volumes throughout the winter and into the spring. North Lily further requests that DWQ authorize North Lily to allow the barren solution pond to remain un-reclaimed and in its current condition for possible future use as a repository for construction/demolition debris, conditional upon the approval by the Division of Solid and Hazardous Waste. North Lily does not plan to use the barren pond for draindown fluid storage nor does it seek DWQ's approval to do so.

Significant progress has been made on the site both in terms of closure and reclamation. Completed tasks are as follows: the heap has been regraded, mulched, ripped and seeded; the leach pad draindown rate has decreased and continues to do so; enhanced evaporation capacity is in place; the draft final design for post-closure fluid management has been submitted to DWQ and conditionally approved; containerized waste and recyclable materials have been inventoried and scheduled for appropriate handling; and, delivery of sodium cyanide and caustic soda to Kennecott Barney's Canyon has been completed.

Therefore, we believe that it is in the project's best interest for the ponds to remain available for use for the purposes described above. Closure of the pregnant and overflow ponds is currently planned to take place in the spring after DWQ, the Division of Oil Gas and Mining, and North Lily are confident that they are no longer required for fluid management. The barren pond would be closed when building demolition has been completed and this pond would no longer be

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required for disposal of demolition debris. The earliest actual date by which these ponds can be closed cannot be determined at this time because of uncertainties involving winter and spring precipitation and resultant effects on fluid draindown rate. However, North Lily currently estimates that closure can be completed by June 30, 2001.

Please contact the undersigned with any questions you may have. Thank you for the continued high degree of support and cooperation of DWQ staff for this project and with North Lily's project team.

Sincerely,

*mtc Robert J. Bayer*

Robert J. Bayer  
Managing Principal

cc: Dennis Frederick, DWQ - W/ Attachment  
Fred Pehrson, DWQ - W/Attachment  
Beth Wondimu, DWQ - W/Attachment  
Wayne Hedburg, Division of Oil Gas and Mining - W/Attachment  
Mary Ann Wright, Division of Oil Gas and Mining - W/Attachment  
Stephen Flechner, North Lily Mining Company - W/Attachment  
Mike Keller, VanCott Bagley - W/Attachment